

MONEYLETTER HOTLINE 8/5/03

Correction No Surprise

We have been warning in some recent Hotlines of the possibility of a correction. Just two Hotlines ago we said that the bond market, with the surprise rise in interest rates, could well throw the stock market into a full-fledged correction. We believe that is what is happening now.

Notice we used the word correction. By that we mean after some decline in the averages, which could well reach as much as 10% for the S&P 500, we look for stock prices to halt their decline and resume their advance. We feel very strongly that this is not the resumption of the bear market, although as the correction continues many voices will be saying just that. We believe that such a view flies in the face of the pickup that is occurring in the economy.

The economic news has been mixed we know, and the recovery is still fragile, but the underlying message we are getting is that the economy is strengthening. New orders have turned very positive in both the manufacturing and services sectors. We should see a production pickup shortly. And the result, we believe, will be a solid increase in this quarter's earnings. The short-term will be troublesome for the market, but we continue to look for higher prices over the intermediate-term.

There is no change in our recommended allocations.

New Fund Recommendations – There are no new fund recommendations. This is unusual but it occasionally occurs.

The Economy – What we have now is an improving economy, but one not improving fast enough for the labor market. We believe that will change over the remainder of this year. The rise in rates will undoubtedly crimp the booming housing market. But the tax cut should keep consumer spending healthy. And there are signs business spending is perking up. The weekly retail surveys were positive this week. July retail sales were strong overall. We look for improvement for the economy.

The Stock Market – Today's sharp decline means the averages are breaking through their recent trading range. This suggests more selling to come from the trading community. What stocks need now to stabilize is for the bond market to end its decline. We believe bond prices have gone too far, but the bond market is capable of extremes.

The Bond Market – The first round of the refunding went poorly, causing today's selling in the bond market. There are two more rounds, Wednesday and Thursday. The short-term outlook rests on the results. Given the outlook for inflation, long-term yields are too high.

The Select Portfolio – There are no changes for this portfolio.

MONEYLETTER HOTLINE 8/1/03

Bond Market Takes Lead

We have had a torrent of economic news since the last Hotline. Some of the news presented an upside surprise, some of it a downside surprise. In the background was a plunging bond market, at least until today. This was more than the stock market could handle, and an attempt at a strong rally was nipped in the bud.

We sum up the reports as telling us that the economy is continuing to improve, though slowly. The slow improvement is still not strong enough to raise employment however. The recovery, in that sense, is still fragile. Fortunately, the recovery is getting just what it needs now, powerful stimulus in the form of a tax cut. Also, the continued weakness in the labor market assures that short-term interest rates are going to remain low for a very long time. While this does not prevent long-term rate from rising, as they have the past two weeks, it does serve as some resistance against long rates simply taking off.

As we were reminded the past few days, the market has actually been within a trading range for some weeks. The last two days have been no exception. As we see it, the short-term issue for the market now is whether the bond market will settle down. We believe it will. In any case, we see higher prices over the intermediate-term as the economy's improvement continues.

There is no change in our recommended allocations.

New Fund Recommendations – For domestic stock funds, there is one new hold: CGM Focus. There are two new sells: Lingleaf Partners Smallcap and Fidelity Convertible Securities. There are no changes for international stock funds.

Fidelity Convertible Securities is in the Fidelity-only Venturesome and Moderate portfolios. In the Venturesome Portfolio, we will switch Convertible Securities into Fidelity Small Cap Stock. In the Moderate portfolio, the switch will be into Fidelity OTC.

The Economy – The employment report was unequivocally weak, with manufacturing shedding jobs again. At the same time, the July manufacturing survey showed a robust increase in orders. Also, July auto sales increased significantly over June. The economy is definitely moving ahead. It will continue doing so.

The Bond Market – The bond market continued its slide earlier today, but then recovered it all. There is a big refunding next week, which will test whether the selling is over. Given the outlook for inflation, long-term yields are too high.

The Select Portfolio – RS Contrarian is to be sold in this portfolio and Oberweis Emerging Growth will be purchased with the proceeds.

Domestic Stock Funds — data as of 8/1/03

Fund	Advice	1 month	6 month	1 year		Advice	1 month	6 month	1 year
1 Oberweis Emerging Growth	B	11.0%	52.5%	55.7%	51 Meridian Fund	H	2.4	27.3	17.9
2 Undiscovered Small Cap Growth	B	6.6	43.7	48.7	52 Vanguard Small Cap Growth	H	4.6	23.5	23.5
3 Henlopen Fund	H	15.8	36.9	46.5	53 American Century Vista	H	4.2	25.8	16.3
4 RS Diversified Growth	B	5.9	44.4	32.7	54 Legg Mason Value	H	-0.4	22.6	31.2
5 Undiscovered Behavioral Growth	B	5.3	36.3	44.4	55 MSI Mid Cap Growth	H	2.8	24.3	21.9
6 Royce Opportunity (1%r<180d)	B	7.6	36.3	31.4	56 Vanguard SmallCap Index	H	3.4	24.6	20.0
7 WmBlair S-C Growth N (1%r<60d)	B	4.8	35.5	37.4	57 Strong Discovery	H	5.8	22.9	20.6
8 Legg Mason Opportunity Trust	B	-3.0	37.1	44.3	58 Vanguard Extended Market	H	3.0	24.0	22.0
9 Buffalo Small Cap	B	6.1	36.7	28.4	59 T.Rowe Price Mid Cap Growth	H	2.8	23.6	22.9
10 RS Smaller Company Growth	B	7.1	36.4	27.0	60 CGM Focus	H	-1.7	27.9	17.7
11 Heartland Value (1%r<90d)	B	3.9	34.6	35.5	61 Strong Advisor Common Stock	S	2.7	21.8	26.2
12 RS Partners	B	3.8	32.0	42.2	62 Strong Mid Cap Disciplined	S	4.3	21.3	24.3
13 TCW Galileo Aggressive Growth	B	2.6	29.6	49.4	63 Royce Premier (1%r<180d)	S	3.7	22.3	22.2
14 PBHG Emerging Growth(closed)	B	6.4	35.0	29.5	64 MSI Small Cap Value(closed)	S	3.4	23.0	20.8
15 Neuberger Berman Focus	B	1.7	36.0	33.6	65 SIT Small Cap Growth	S	2.3	23.3	21.7
16 Janus Venture (closed)	B	6.1	33.3	31.0	66 Fidelity OTC Portfolio	S	3.4	22.0	22.8
17 T. Rowe Price New Horizons	B	4.1	31.1	33.0	67 Selected Special Shares	S	1.6	22.8	23.1
18 Pin Oak Aggressive Stock	H	5.9	32.6	25.3	68 INVESCO Small Company	S	4.9	22.0	20.1
19 TCW Galileo Select Equity	H	2.6	30.8	34.5	69 Vanguard Growth Equity	H	2.8	22.7	21.0
20 Federated Kaufmann Fund(0.2%)	B	5.0	32.0	25.6	70 Royce Low Priced Stock (1%	S	2.5	22.7	21.3
21 FBR Small Cap Value A (1%	B	0.0	26.8	46.2	71 MSI Mid Cap Value	S	3.1	22.9	19.1
22 Boston Ptnrs Smlcap Val	B	4.7	33.0	22.9	72 T. Rowe Price New America	S	1.7	21.8	23.5
23 USAA Capital Growth	H	5.5	30.5	26.5	73 Strong Opportunity	S	2.5	22.7	19.8
24 Needham Growth Fund (.75%	H	6.2	28.5	30.2	74 Royce Penn Mutual(1%r<180d)	S	3.9	21.5	20.0
25 TCW Galileo Small Cap Growth	H	4.5	30.7	25.9	75 Vanguard PRIMECAP	S	2.3	21.6	20.9
26 Legg Mason Special Investment	B	1.5	28.0	36.6	76 Baron Growth	S	3.5	22.2	17.4
27 Montgomery Small Cap	B	3.4	30.1	27.8	77 Aegis Value Fund	S	4.4	20.7	18.8
28 Wasatch Small Cap Value (2%	H	5.5	31.8	20.0	78 Fidelity Small Cap Stock (2%	S	5.0	20.3	18.3
29 RS Emerging Growth(closed)	H	4.5	29.9	25.8	79 Berwyn Fund (1%r<180d)	S	2.2	22.1	17.4
30 Marsico 21st Century	B	5.0	28.8	27.6	80 Scudder Development (closed)	S	1.2	20.5	22.4
31 Wasatch Small Cap Grth	B	3.7	29.2	27.5	81 SIT Mid Cap Growth	S	2.0	21.4	18.9
32 Bogle Small Cap Growth(closed)	H	6.5	29.7	21.5	82 INVESCO Dynamics	S	2.1	19.9	22.0
33 TCW Galileo Value Opportunities	H	4.0	28.4	27.3	83 Eclipse Small Cap Value	S	4.0	22.2	12.8
34 Turner Mid Cap Growth	H	5.4	27.6	26.7	84 Vanguard Strategic Equity	H	1.4	21.0	19.6
35 Artisan Small Cap	H	3.0	28.1	26.0	85 Boston Partners Mid Cap Value	S	2.5	21.1	17.5
36 RS MidCap Opportunities	B	2.4	26.8	30.2	86 Vanguard Capital Value	H	0.7	21.3	19.6
37 CRM Small Cap Value Inv	H	4.9	28.3	21.4	87 Longleaf Partners Smallcap	S	-0.8	25.6	11.0
38 Bridgeway Aggressive Investors 2	H	0.2	29.2	25.8	88 Wasatch Core Growth	H	1.8	24.6	9.5
39 WPG Tudor	H	5.0	24.7	27.1	89 Neuberger Berman Partners	S	1.5	21.9	16.5
40 Fidelity Capital Appreciation	H	1.7	26.1	28.1	90 Fidelity L P Stock(1.5%r<90d)	S	3.5	21.1	15.0
41 Safeco Growth Opportunities	H	5.6	28.5	16.1	91 Strong Growth	S	2.4	20.7	17.4
42 Fidelity Growth Company	H	2.7	26.6	24.8	92 T. Rowe Price S-C Value	S	2.6	20.2	17.5
43 Vanguard Cap Opp (\$25,000&1%	H	2.4	25.0	28.0	93 Muhlenkamp Fund	H	-2.1	22.0	19.4
44 Century Select Small Cap	H	3.7	24.0	28.3	94 Dreyfus-Founders Discovery	S	4.0	20.5	13.7
45 Liberty Small Company Equity CIZ	H	3.3	26.1	23.6	95 Janus Enterprise	S	1.4	20.0	19.0
46 Janus Special Equity	H	3.5	27.0	20.4	96 PBHG Small Cap Value	S	2.6	21.0	14.4
47 CS Warburg Pincus Emerging	H	3.1	24.6	26.8	97 Fidelity Equity-Income II	S	0.8	19.9	19.2
48 Baron Small Cap	H	4.2	26.2	20.3	98 Strong Advisor Midcap Growth	S	-0.1	20.5	18.9
49 Vanguard Explorer	H	3.3	25.3	22.9	99 Strong Multi-Cap Value	S	2.6	19.9	16.1
50 RS Value+Growth	H	2.2	25.2	23.9	100 Fidelity Aggressive Growth	H	1.8	17.6	22.9

DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 8/1/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
101 C&B Mid Cap Value	S	1.5	21.7	12.9	151 Weitz Value Fund	S	-1.3	16.0	19.4
102 Gabelli Growth	S	2.3	18.9	17.7	152 Baron Asset	S	1.8	19.6	5.3
103 USAA Aggressive Growth	S	2.1	20.2	14.8	153 Royce Special Equity (1%	S	2.3	15.2	15.5
104 Nicholas II	S	2.7	19.0	16.8	154 SIT Large Cap Growth	S	0.6	16.8	14.0
105 T. Rowe Price Small Cap Stock	S	2.8	18.6	17.2	155 Columbia Growth	S	0.6	17.1	13.1
106 Vanguard/Morgan Growth	S	0.7	18.8	19.0	156 Oakmark Small Cap (2%r<90d)	S	4.8	16.6	7.9
107 Artisan Midcap(closed)	S	2.6	18.0	17.6	157 Gabelli Asset	S	0.6	15.8	16.1
108 Marsico Growth & Income	S	1.9	20.3	13.0	158 Fidelity Growth & Income II	S	0.2	16.0	15.9
109 Third Avenue Small-Cap Value	S	2.4	19.5	13.9	159 Strong Large Cap Growth	S	0.6	17.0	12.1
110 Marsico Focus	S	2.3	20.2	12.1	160 Montgomery Growth	S	0.0	17.0	12.8
111 Neuberger Berman Genesis	S	3.1	17.1	18.6	161 USAA Growth & Income	S	0.8	16.5	12.7
112 Artisan Mid Cap Value	S	0.2	17.9	20.5	162 Vanguard Value Index	S	-0.7	16.7	14.3
113 Dodge & Cox Stock	S	3.0	17.5	16.9	163 Longleaf Partners	S	0.8	15.9	13.9
114 Ariel Fund	S	2.1	19.7	12.8	164 Fidelity Stock Selector	S	0.0	16.1	14.6
115 Janus Mercury	S	1.0	18.0	18.7	165 American Century Select	S	0.1	16.6	13.0
116 Ariel Appreciation	S	1.1	20.2	12.9	166 Dreyfus New Leaders	S	0.7	16.4	12.7
117 Van Wagoner Emerging Growth	S	4.6	18.5	11.7	167 Domini Social Equity Fund	S	0.8	16.0	13.4
118 Fidelity Mid-Cap Stock (.75%	S	1.9	17.4	17.9	168 Vanguard U.S. Growth	S	1.8	16.0	11.8
119 Fidelity Export & Multinat'l(.75%	S	0.0	16.7	22.3	169 Salomon Brothers Investors	S	-0.7	16.3	14.7
120 CRM Mid Cap Value Ins	S	1.4	18.8	14.7	170 Value Line Special Situations	S	2.4	15.7	11.3
121 Neuberger Berman Guardian	S	0.2	20.4	12.2	171 Fidelity Trend	S	-0.4	15.7	15.1
122 State Street Mid-Cap Value	S	3.8	19.3	9.5	172 Columbia Special	S	1.2	16.1	11.6
123 Sound Shore	S	0.9	17.9	17.3	173 Nicholas Fund	S	1.2	16.9	9.2
124 Loomis Sayles Small Cap Value	S	2.1	18.3	14.3	174 Schwab 1000 Fund (.75%	S	0.2	15.8	13.0
125 T.Rowe Price Mid Cap Value	S	1.8	17.4	17.2	175 Fidelity Fund	S	0.7	15.6	12.2
126 Fidelity New Millennium (closed)	S	-0.4	19.4	15.2	176 Scudder Large Company Growth	S	1.6	15.2	11.9
127 Dreyfus Mid Cap Index	S	1.8	18.3	14.6	177 Fidelity Convertible Securities	S	-1.0	12.8	21.1
128 CRM Mid Cap Value Inv	S	1.4	18.6	14.4	178 Scudder Capital Growth AARP	S	0.9	15.6	11.3
129 MSI Value Portfolio	S	1.0	19.2	13.2	179 Northeast Investors Growth	S	0.8	15.4	11.7
130 T. Rowe Price Growth Stock	S	0.3	17.4	18.1	180 Fidelity Small Cap Ind.(1.5%	S	1.3	16.1	9.1
131 Vanguard Windsor	S	0.4	18.0	16.3	181 Fidelity Spartan 500 Index	S	-0.1	15.5	12.7
132 INVESCO Blue Chip Growth	S	1.7	18.7	12.7	182 Vanguard 500 Index	S	-0.1	15.5	12.7
133 Thompson Plumb Growth	S	-1.7	16.8	22.2	183 Neuberger Berman Fasciano Inv	S	0.7	16.1	9.9
134 Preferred Growth	S	2.5	18.4	12.0	184 USAA Growth	S	0.5	15.8	10.9
135 Third Avenue Value	S	1.8	18.3	13.0	185 Vanguard Growth Index	S	0.7	15.3	11.9
136 CS Warburg Pincus Capital Ap-	S	1.8	17.1	15.6	186 Scudder Large Co Value	S	1.3	14.7	11.5
137 Westport Small Cap R	S	2.4	15.9	17.5	187 Fidelity Contrafund	S	1.2	14.9	11.1
138 Harbor Capital Appreciation	S	2.5	18.2	11.5	188 Yacktman Fund	S	-2.4	11.7	24.4
139 Fidelity Value	S	1.3	17.8	14.1	189 Fidelity Equity-Income	S	0.3	15.4	10.9
140 Royce Total Return (1%r<180d)	S	1.6	17.1	15.2	190 Strong Growth 20	S	1.4	16.2	7.0
141 WPG Large Cap Growth	S	2.3	17.7	12.1	191 Fidelity Blue Chip Growth	S	0.0	15.2	11.5
142 Janus Olympus	S	1.5	18.5	11.3	192 PBHG Growth	S	1.5	15.0	9.6
143 American Century Ultra	S	1.4	18.5	11.4	193 Harbor Value	S	0.9	15.1	9.3
144 Janus Fund	S	2.3	17.3	12.7	194 Scudder Growth & Income	S	0.3	15.4	9.5
145 Neuberger Berman Manhattan	S	0.8	17.3	14.3	195 Dreyfus Premier Third Century	S	1.0	15.2	8.8
146 Vanguard Mid-Cap Index	S	1.7	17.0	13.4	196 UMB Scout Stock	S	0.7	14.8	10.1
147 Vanguard Total Stk Mkt	S	0.5	17.2	14.4	197 American Century Equity Growth	S	-1.3	14.8	13.0
148 Vanguard Small-Cap Value Index	S	2.2	17.9	9.8	198 INVESCO Core Equity	S	0.6	14.6	10.6
149 William Blair Growth (1%r<60d)	S	2.4	16.5	13.1	199 Oakmark Select(closed) (2%	S	-2.6	15.0	14.1
150 Vanguard Convertible Securities	S	0.9	13.3	23.2	200 Oakmark Equity&Income	S	0.3	12.3	16.3

DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 8/1/03

Fund	Advice	1 month	6 month	1 year					
201 Selected American Shares	S	-0.2	14.5	11.4	250 Dreyfus Appreciation	S	-2.4	10.1	4.2
202 American Century Growth	S	0.8	14.4	9.9	251 Fidelity Focused Stock (.75%	S	-1.4	10.7	1.2
203 Mutual Qualified(1%)CIZ	S	1.1	13.9	10.5	252 Clipper Fund	S	-0.5	8.7	3.1
204 American Century Value	S	0.3	14.1	11.2	253 Bonnel Growth Fund (.25%	S	1.7	3.0	0.3
205 Fidelity Magellan (closed)	S	-0.4	14.4	11.4	254 Gintel Fund (2%r<45d)	S	-0.2	2.4	3.5
206 Janus Twenty(closed)	S	-0.6	14.0	12.6	255 Van Wagoner Mid-Cap	S	-0.9	-0.6	-6.4
207 Safeco Equity	S	-0.1	14.7	9.9					
208 Vanguard Growth & Income	S	-0.6	14.8	10.5					
209 T. Rowe Price Growth & Income	S	0.0	13.8	11.9					
210 Dreyfus Growth Opportunity (2%	S	-0.7	14.8	10.0					
211 Columbia Common Stock	S	0.2	13.8	11.2					
212 American Century Income &	S	-1.6	14.6	11.8					
213 Hussman Strategic Growth (1.5%	S	1.8	12.6	11.6					
214 Fidelity Large Cap Stock	S	0.7	14.3	9.0					
215 Dreyfus Growth & Income	S	-0.6	14.6	9.1					
216 T. Rowe Price Dividend Growth	S	-0.4	13.9	10.3					
217 Babson Growth	S	2.1	12.2	10.8					
218 Fidelity Dividend Growth	S	-2.3	13.2	14.5					
219 Mutual Beacon(1%)CIZ	S	0.6	12.8	10.8					
220 Liberty Equity Growth CIZ	S	-0.5	14.1	9.0					
221 Dreyfus Fund	S	-0.2	14.0	9.0					
222 Fidelity Disciplined Equity	S	-1.0	13.9	10.1					
223 Fidelity Fifty (.75%r<30d)	S	-1.5	11.3	16.5					
224 Vanguard U.S. Value	S	-1.3	13.6	10.5					
225 T. Rowe Price Equity-Income	S	-0.7	12.9	11.1					
226 Janus Growth & Income	S	0.8	12.7	8.8					
227 INVESCO Value Equity	S	-0.7	12.9	10.0					
228 American Century Equity Income	S	-0.7	11.7	13.0					
229 Vanguard Windsor II	S	-2.3	13.7	10.0					
230 Fidelity Independence(ret.only)	S	-0.3	12.1	11.3					
231 Loomis Sayles Value	S	-1.0	12.6	10.5					
232 Mutual Shares(1%)CIZ	S	0.2	11.8	10.2					
233 Vontobel U.S. Value (2%r<360d)	S	2.7	12.8	3.8					
234 Oakmark Fund	S	-2.0	13.8	8.2					
235 Babson Value	S	1.2	14.4	0.8					
236 Liberty Equity Value CIZ	S	-0.5	13.5	5.6					
237 T. Rowe Price Cap Appreciation	S	-0.5	10.3	13.1					
238 Homestead Value	S	-1.5	12.9	8.0					
239 American Century Heritage	S	1.6	10.9	8.1					
240 ICM/Isabelle Small Cap Value	S	-0.6	16.7	-4.6					
241 Fidelity Contrafund II	S	-1.3	9.4	13.5					
242 T. Rowe Price New Era	S	-1.2	9.9	10.7					
243 Liberty Asset Allocation CIZ	S	-0.8	10.3	9.2					
244 Value Line Leveraged Growth	S	0.0	11.7	4.4					
245 Vanguard Equity-Income	S	-1.4	11.3	7.5					
246 Tweedy, Browne American Value	S	1.4	11.1	3.1					
247 Value Line Fund	S	0.0	11.0	4.5					
248 Fidelity Growth & Income(3%)	S	-0.9	10.6	6.5					
249 Preferred Value	S	-0.6	9.7	6.6					
250 Salomon Brothers Opportunity	S	0.9	9.6	1.6					

MONEY MANAGEMENT & FINANCIAL PLANNING SERVICES

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INTERNATIONAL STOCK FUNDS
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International Stock Funds — data as of 8/1/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Artisan Intl Small Cap (2%r<90d)	B	3.3%	28.9%	30.4%	51 Gabelli Intl. Growth	S	1.7	13.3	5.7
2 T.Rowe Price Intl Disc. (2%r<1yr)	B	6.2	28.6	25.0	52 Montgomery Emerging Mkts	S	0.0	12.1	11.2
3 Fidelity Latin Amer.(1.5%r<90d)	H	0.7	28.3	31.8	53 Vanguard Pacific Stock Index	S	2.4	14.0	2.8
4 Matthews Pacific Tiger (2%r<90d)	B	9.4	27.7	20.1	54 CS Warburg Pincus Japan Grth	S	4.9	14.4	-2.7
5 Oakmark Global (2%r<90d)	B	2.1	26.6	28.7	55 Scudder Global	S	1.2	11.8	8.8
6 Vanguard Intl. Explorer	B	4.8	29.2	16.5	56 Tweedy, Browne Global Value	S	3.3	12.8	2.8
7 Vanguard Emerging Mkts Stk	B	5.9	23.8	25.3	57 Janus Worldwide	S	1.3	13.5	4.0
8 T.Rowe Price Latin America (2%	H	-0.1	26.3	28.0	58 Scudder International (2%	S	2.3	12.9	3.8
9 Scudder Latin America	H	0.3	26.1	27.2	59 American Century Intl Growth	S	2.2	12.3	2.8
10 Investec China & Hong Kong	B	8.8	23.8	19.0	60 Vontobel International Equity	S	-0.3	12.4	4.6
11 Fidelity Aggressive Intl. (1%r<30d)	B	4.2	25.9	17.1	61 SIT International Growth	S	0.8	12.4	2.7
12 Scudder Global Discovery(closed)	B	3.9	24.9	19.9	62 Babson-Stewart Ivory Intl	S	0.7	11.7	-0.1
13 Longleaf Partners International	B	6.2	24.9	14.5	63 INVESCO European (2%r<90d)	S	-0.1	10.0	0.8
14 Dreyfus Emerging Market(1%r)	B	4.2	22.9	20.3					
15 T. Rowe Price New Asia	H	10.1	20.1	12.1					
16 Harbor International	H	4.6	20.0	17.1					
17 Fidelity SE Asia (1.5%r<90d)	H	8.6	21.5	6.6					
18 Vanguard International Value	H	6.3	20.9	10.0					
19 Fidelity Europe (1%r<90d)	H	2.2	21.8	13.3					
20 Fidelity Emerging Mkts (1.5%	H	4.4	18.9	15.2					
21 Japan Fund (Scudder) (2%	H	4.3	22.0	6.9					
22 Oakmark Intl Small Cap	H	3.2	21.2	9.4					
23 Fidelity Overseas (1%r<30d)	H	4.2	20.2	9.5					
24 Fidelity Worldwide (1%r<30d)	H	1.6	19.4	13.3					
25 Matthews Japan Fund (2%r<90d)	H	6.5	21.7	0.2					
26 Wm. Blair Intl. Growth Stock N	S	3.7	19.9	8.4					
27 Scudder Pacific Opportunity (2%	H	7.7	17.2	8.8					
28 Fidelity Diversified Intl (1%r<30d)	H	1.9	18.1	14.2					
29 Fidelity International G & I	S	2.9	17.8	10.2					
30 Vanguard European Stock Index	H	1.9	17.5	12.1					
31 Preferred International	S	5.0	17.5	7.3					
32 Oakmark International (2%r<90d)	S	3.2	17.6	9.2					
33 T. Rowe Price European	H	1.4	15.9	12.1					
34 Matthews Asia Growth&Income	S	3.5	13.8	13.8					
35 Vanguard International Growth	S	2.6	15.8	9.4					
36 Artisan International	S	3.7	17.5	3.2					
37 Fidelity Pacific Basin (1.5%r<90d)	S	3.9	16.2	5.0					
38 Janus Overseas(closed)	S	3.5	16.1	5.6					
39 American Century Global Growth	S	2.1	16.7	5.9					
40 Liberty Intl Equity CIZ	S	2.5	16.3	6.5					
41 Schwab International Index (1.5%	S	1.7	15.6	8.6					
42 Loomis Sayles International Eq-	S	1.3	16.3	7.1					
43 Columbia International Stock	S	2.4	15.3	5.0					
44 Fidelity Japan(1.5%r<90d)	S	3.7	14.8	3.2					
45 USAA International	S	0.9	13.4	10.8					
46 T. Rowe Price Japan	S	4.5	17.0	-3.8					
47 Scudder Greater Europe (2%	S	1.7	14.7	6.2					
48 Julius Baer International Equity A	S	2.0	12.8	10.4					
49 T. Rowe Price Intl Stock	S	1.4	13.8	7.6					
50 USAA World Growth	S	0.4	13.1	10.3					

**Next Issue of
MONEYLETTER *Plus*
Will Be Available:**

**Wednesday
August 13, 2003
by Midnight**

Total Return % - 7/31/03

1 mo	Model Portfolio	6 mo	1 yr	3 yr	YTD
-0.1	ML Conservative	8.5	8.6	11.3	6.6
-0.2	Fidelity Conservative	8.1	5.4	-10.6	7.0
-0.3	Vanguard Conservative	9.4	9.0	-14.8	8.8
3.0	ML Moderate	20.3	20.3	1.4	18.4
1.3	Fidelity Moderate	13.0	9.5	0.8	12.0
2.1	Vanguard Moderate	16.2	16.4	-12.8	15.9
3.8	ML Venturesome	22.6	20.1	-1.6	19.3
2.7	Fidelity Venturesome	14.0	8.2	6.0	12.2
3.5	Vanguard Venturesome	17.4	14.4	-14.4	16.6
3.4	ML Select	12.5	n/a	n/a	14.7
Benchmarks					
1.7	S&P 500	16.8	10.6	-27.7	13.7
0.7	Asset Allocation Funds Avg (45)	13.1	9.3	-15.3	11.2

**SPECIALTY FUNDS
On Next Page**

Specialty Funds — data as of 8/1/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Rydex Biotechnology	Select	6.5%	40.7%	37.4%	51 Fidelity Banking (3%&.75%	*	1.4	15.1	11.8
2 Rydex Electronics	*	8.7	45.9	20.7	52 Fidelity Chemicals (3%&.75%	*	7.6	13.4	5.8
3 Fidelity Computers (3%&.75%	*	6.2	40.4	36.5	53 Vanguard Precious Metals	*	2.2	5.6	32.4
4 Fidelity Electronics (3%&.75%	*	7.7	44.6	21.9	54 Fidelity Balanced	B	-0.5	14.0	15.3
5 Rydex Internet	*	0.2	31.4	57.1	55 Fidelity Insurance (3%&.75%	*	1.1	15.2	9.0
6 Fidelity Technology (3%	*	4.2	35.4	40.8	56 Rydex Financial Services	*	1.2	15.3	7.6
7 Fidelity Developing Comm (3%	*	5.4	31.9	45.5	57 INVESCO Health Sciences Inv	*	-1.3	16.0	9.5
8 Rydex Technology	*	4.5	35.0	39.2	58 Amer. Cent. Global Gold (1%	*	0.4	3.1	39.0
9 Fidelity Wireless	*	4.4	36.5	33.7	59 Rydex Banking	*	1.1	13.7	10.4
10 Fidelity Networking	*	3.6	34.7	32.9	60 Vanguard Health Care	*	-1.0	14.0	12.2
11 Fidelity Biotechnology (3%&.75%	*	7.4	29.5	36.4	61 Fidelity Defense & Aero (3%	*	3.2	14.2	5.1
12 T.Rowe Price Media & Telecom-	*	1.7	26.3	48.1	62 Fidelity Consumer Ind (3%	*	0.2	14.2	9.3
13 CGM Realty	*	-5.4	34.6	32.2	63 Rydex Transportation	*	3.4	13.4	5.6
14 Fidelity Multimedia (3%&.75%	*	1.1	20.2	57.2	64 U.S.Global Gold Shares (.25%	*	1.3	0.9	39.9
15 T.Rowe Price Science & Tech	*	2.7	27.4	32.6	65 Fidelity Utilities Growth (3%	*	-6.3	14.0	18.6
16 RS Contrarian	*	3.1	25.4	32.2	66 INVESCO Gold Inv	*	2.5	3.6	31.2
17 T.Rowe Price Health Sciences	*	3.4	27.6	25.4	67 Fidelity Home Finance (3%	*	0.7	14.0	7.4
18 Scudder Gold (closed)	*	9.9	12.1	54.0	68 Rydex Basic Materials	*	3.9	13.7	0.6
19 Fidelity Software (3%&.75%	*	2.0	19.4	46.5	69 Vanguard Energy (1%r<1yr)	*	-2.9	11.0	17.4
20 Fidelity Brokerage (3%&.75%	*	0.8	25.2	27.2	70 Fidelity Pharmaceuticals (3%	*	-3.8	12.4	14.9
21 Fidelity Leisure (3%&.75%r<30d)	*	1.7	22.9	31.5	71 Fidelity Gold (3%&.75%r<30d)	*	2.2	0.2	35.5
22 Fidelity Automotive (3%&.75%	*	7.1	25.0	17.1	72 Vanguard Balanced Index	B	-1.1	10.2	10.8
23 Fidelity Medical Equip (3%&.75%	*	1.9	22.0	32.5	73 Rydex Precious Metals	*	0.6	2.5	27.3
24 Cohen & Steers Realty Shares	*	4.4	24.5	20.2	74 Gateway Fund	B	0.6	8.0	12.7
25 Fidelity Transportation (3%&.75%	*	1.7	27.2	16.3	75 Fidelity Health Care (3%&.75%	*	-2.1	9.7	12.5
26 Rydex Retailing	*	3.8	25.3	17.4	76 Rydex Utilities	*	-6.0	13.4	7.7
27 Fidelity Retailing (3%&.75%r<30d)	*	2.5	27.0	14.0	77 Rydex Consumer Products	*	-1.4	11.4	4.8
28 INVESCO Real Estate Inv	*	3.2	23.2	18.8	78 Fidelity Natrl Resources (3%	*	-2.6	8.9	11.1
29 Fidelity Air Transport (3%&.75%	*	-1.8	28.7	11.2	79 Merger Fund	*	0.8	5.7	11.8
30 T.Rowe Price Real Estate	*	4.1	22.0	18.4	80 Rydex Energy	*	-5.4	6.2	12.2
31 INVESCO Technology Inv	*	2.4	23.4	16.8	81 INVESCO Utilities Inv	*	-5.6	7.1	8.0
32 Cohen & Steers Equity Income	*	2.9	22.4	17.5	82 Fidelity Energy (3%&.75%r<30d)	*	-4.9	6.2	9.1
33 Vanguard REIT Index (1%r<1yr)	*	3.9	22.1	16.9	83 Fidelity Paper & Forest (3%	*	3.3	4.6	0.6
34 T.Rowe Price Financial Services	*	2.8	21.4	19.1	84 Fidelity Natural Gas (3%&.75%	*	-6.7	6.7	9.6
35 Rydex Health Care	*	2.5	20.0	21.7	85 INVESCO Energy Inv	*	-6.1	5.0	11.1
36 Fidelity Industrial Equip (3%	*	7.0	20.6	12.1	86 Fidelity Food & Agr (3%&.75%	*	-1.7	6.2	-2.1
37 Fidelity Const & Housing (3%	*	0.9	22.9	12.5	87 Fidelity Energy Services (3%	*	-7.0	2.4	10.6
38 Fidelity Real Estate (.75%r<90d)	*	3.9	20.1	14.5	88 Fidelity Med Del (3%&.75%	*	4.7	4.6	-15.1
39 Stratton Mthly Div REIT (1.5%	*	2.9	20.4	14.9	89 Rydex Energy Services	*	-7.5	1.7	9.7
40 Rydex Telecommunications	*	-1.4	14.1	34.8	90 AXARosenberg Value L/S (2%	*	-3.9	-8.6	-11.0
41 Fidelity Cyclical Ind (3%&.75%	*	4.6	18.2	10.9	91 Prudent Bear	*	0.8	-15.0	-10.2
42 Rydex Leisure	*	2.2	21.6	4.9	92 Rydex Ursa	*	0.1	-14.6	-15.4
43 Fidelity Telecomm (3%&.75%	*	-7.1	7.9	52.9	93 ProFunds Bear Inv	*	-0.1	-15.0	-16.4
44 Fidelity Bus Services (3%&.75%	*	1.5	17.4	13.6					
45 INVESCO Telecommunications	*	-0.2	15.1	21.8					
46 INVESCO Leisure Inv	*	0.5	16.1	17.1					
47 Fidelity Indust Matrls (3%&.75%	*	5.9	11.9	18.5					
48 INVESCO Financial Serv Inv	*	1.7	16.4	11.9					
49 Fidelity Finl Serv (3%&.75%	*	1.2	15.9	13.1					
50 Fidelity Environmental Ser (3%	*	1.9	14.2	15.9					

BOND FUNDS
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Bond Funds — data as of 8/1/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 INVESCO High Yield	*	-0.5%	12.8%	25.7%	51 Fidelity Intermediate Bond	*	-2.7	0.6	4.0
2 Fidelity High Income (1%r<90d)	B	-1.4	12.2	26.4	52 Fidelity Investment Grade	*	-3.5	0.5	4.8
3 Buffalo High-Yield(2%r<180d)	B	-0.2	11.8	18.3	53 Dreyfus Short-Term Income	*	-1.2	0.7	-0.3
4 Fidelity New Markets Income	*	-4.8	11.4	25.2	54 American Government Bond	B	-2.3	-0.1	3.2
5 Value Line Aggressive Inc	B	-1.5	10.6	15.1	55 Federated U.S. Govt Sec. 1-3	*	-0.7	0.0	0.4
6 TCW Galileo High Yield Bond	B	-1.8	10.4	14.7	56 WPG Core Bond	*	-3.5	0.1	4.2
7 Strong High Yield Bond(1%r)	*	-1.4	9.5	16.3	57 Eclipse Indexed Bond	*	-3.4	-0.1	4.4
8 PIMCO High Yield	B	-3.4	8.1	20.9	58 Columbia S-T Bond	*	-1.7	0.0	1.4
9 T. Rowe Price High Yield	B	-1.1	8.5	13.5	59 Managers Int. Duration Govt	*	-1.9	-0.4	2.4
10 Vanguard High Yield Corporate	B	-2.4	6.0	14.1	60 PIMCO Low Duration	*	-1.9	-0.3	2.2
11 Amer. Cent. Int'l Bond	*	-4.2	3.6	16.9	61 PIMCO Real Return	*	-4.3	-0.7	6.6
12 Liberty Income CIZ	*	-2.8	4.9	10.5	62 Vanguard S-T Federal	*	-1.6	-0.3	1.3
13 T. Rowe Price Spectrum Income	B	-2.4	4.9	9.6	63 Fidelity Intermediate Govt	B	-2.8	-0.1	2.6
14 T. Rowe Price Int'l Bond	*	-3.4	3.3	13.1	64 Amer. Cent. Target 2010	*	-6.1	0.1	7.1
15 Janus High Yield	B	-2.0	4.4	7.9	65 FifthThird Bond	*	-3.5	-0.4	4.3
16 Liberty Intermediate Bond CIZ	B	-2.4	4.1	9.1	66 Dreyfus 100 Treasury L-T	B	-4.6	0.8	2.9
17 Westcore Plus Bond	*	-2.1	4.3	7.5	67 Montgomery Sht Duration Govt	B	-1.5	-0.5	0.9
18 Strong S-T High Yield	*	-0.6	3.2	6.8	68 Vanguard Bond Market	*	-3.7	-0.1	3.1
19 Strong Corporate Bond	*	-4.2	3.3	11.7	69 Value Line U.S. Govt Sec	B	-3.3	-0.4	3.1
20 Northeast Investors Trust	B	-1.1	4.7	3.4	70 Fremont Bond	B	-4.0	-0.5	4.2
21 INVESCO Select Income	*	-3.2	2.8	11.1	71 Montgomery Total Return	*	-3.7	-0.5	3.5
22 T. Rowe Price Corporate Inc	*	-4.0	3.4	9.5	72 Strong Govt Securities	*	-3.3	-0.7	2.5
23 Columbia High Yield	B	-2.7	2.7	8.6	73 Dreyfus GNMA	*	-2.2	-1.2	1.7
24 Scudder Global Bond S-T (closed)	*	-2.8	2.0	10.0	74 PIMCO Total Return	B	-4.1	-0.6	2.9
25 Managers Bond	B	-4.7	2.8	10.0	75 Safeco I-T U.S. Treasury	B	-3.4	-0.9	2.5
26 Dodge & Cox Income	B	-2.1	1.6	7.5	76 Columbia Fixed Income Sec	*	-3.4	-0.6	1.6
27 Janus S-T Bond	*	-0.3	2.1	3.2	77 Managers Intermediate Bond	*	-2.3	-0.6	-0.3
28 MetroWest Total Return	*	-3.5	2.6	6.3	78 Vanguard Intermediate Treas.	*	-4.1	-0.9	2.7
29 Scudder Short-Term Bond	*	-0.9	1.3	3.6	79 T. Rowe Price GNMA	*	-2.2	-1.3	0.6
30 Dreyfus A Bonds Plus	*	-3.3	1.4	6.9	80 Fidelity GNMA	*	-1.8	-1.3	0.0
31 Dreyfus Strategic Income	*	-3.0	2.0	4.6	81 PIMCO Total Return Mortgage	*	-3.1	-1.6	1.0
32 Vanguard Inflation Protected Sec	*	-4.0	1.0	8.3	82 Safeco U.S. Government	B	-3.3	-1.6	1.2
33 Vanguard Short-Term Corporate	*	-1.2	1.1	3.9	83 INVESCO U.S. Govt Sec	*	-3.6	-1.6	1.7
34 BBH Inflation Indexed Sec	B	-4.1	0.7	8.9	84 Amer. Cent. Ginnie Mae	*	-2.3	-1.8	-0.1
35 Janus Flexible Income	B	-2.9	1.3	5.4	85 Babson Bond Trust	*	-3.8	-1.2	0.3
36 MetroWest Low Duration	*	-1.4	1.2	3.3	86 Fidelity Government Income	*	-4.0	-1.4	1.0
37 T. Rowe Price S-T Bond	*	-1.2	1.1	3.2	87 Federated Total Return Govt	B	-4.4	-1.7	1.3
38 Managers Short Duration Govt	*	-0.4	0.9	2.4	88 Vanguard Long-Term Corporate	*	-8.2	-1.8	5.2
39 Payden Global Fixed Income	*	-2.6	1.0	5.6	89 Vanguard GNMA	*	-3.6	-2.7	-0.7
40 Fidelity Short-Term Bond	*	-1.2	0.8	3.4	90 T. Rowe Price U.S. Treas. L-T	*	-6.9	-2.5	3.0
41 Schwab S-T Bond Mkt Index	*	-1.5	0.8	3.3	91 Amer. Cent. Target 2015	*	-10.8	-2.0	7.3
42 TCW Galileo Total Return Bond	B	-1.3	0.3	4.4	92 Vanguard L-T Treasury	*	-8.5	-3.1	2.9
43 Scudder Income (closed)	B	-3.2	0.9	5.4	93 Amer. Cent. Target 2020	*	-14.1	-4.5	7.0
44 Eclipse Bond	B	-3.2	0.4	6.5	94 Amer. Cent. Target 2025	*	-15.7	-6.0	6.1
45 Fidelity Inflation-Protected Bond	*	-4.1	0.6	7.4					
46 Strong S-T Bond	*	-1.3	0.8	2.4					
47 USAA Income	B	-3.5	0.6	5.8					
48 Vanguard S-T Treasury	*	-1.2	0.5	2.3					
49 Amer. Cent. Inflation Adj	B	-4.2	0.5	6.6					
50 T. Rowe Price New Income	*	-3.1	0.7	4.5					

PORTFOLIO HOLDINGS
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Weekly Performance of ML Model Holdings — data as of 8/1/03

Fund	Last Week	Fund	Last Week
ACITX Amer. Cent. Inflation Adj.	-1.93%	VBINX Vanguard Balanced	-1.53%
BUFHX Buffalo High Yield	-0.84	VCVLX Vanguard Capital Value	-1.82
DODIX Dodge & Cox Income	-1.17	VEIEX Vanguard Emerg. Mkts. Stock	0.85
FBRVX FBR Small Cap Value	-1.74	VEXPX Vanguard Explorer Index	-0.20
FBALX Fidelity Balanced	-1.53	VEXMX Vanguard Extended Market	-0.26
FDCAX Fidelity Capital Appreciation	-0.92	VWEHX Vanguard High Yield Corp.	-0.81
FSLCX Fidelity Small Cap Stock	0.65	VIPSX Van. Inflation Protected Bond	-1.83
FDEGX Fidelity Aggr. Growth	-0.46	VISGX Vanguard Small Cap Growth	-0.09
FDGRX Fidelity Growth Company	-1.56	NAESX Vanguard Small Cap IndesX	-0.32
SPHIX Fidelity High Income	-1.31	VSEQX Vanguard Strategic Equity	-1.50
FOCPX Fidelity OTC	-0.78	VBMFX Vanguard Total Bond	-1.27
FSTGX Fidelity Intermediate Gov't	-1.04	WBSNX WmBlair Small Cap N	-0.98
FBNDX Fidelity Inv Grade Bond	-1.62		
FIVFX Fidelity Aggr. Int'l	-1.22		
GATEX Gateway Fund	-0.54		
HRTVX Heartland Value	-0.28		
LMASX Legg Mason Special	-1.67		
LMOPX Legg Mason Opportunity Tr	-2.32		
MAPTX Matthews Pacific Tiger	2.24		
OBEGX Oberweis Emerging Growth	1.35		
PHYDX Pimco High Yield D	-2.09		
RYPNX Royce Opportunity	0.61		
RSPFX RS Partners	0.51		
RYOIX Rydex Biotechnology	-0.75		
TGANX TCW Galileo Aggr. Growth	-1.32		
		Indices	
		DOW JONES INDUSTRIALS	-1.4%
		S&P 500	-1.86
		NASDAQ	-0.87

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